EXECUTIVE SUMMARY

PURPOSE

The purpose of this study is to assess the utility to hospitals of the information in the National Practitioner Data Bank.

BACKGROUND

Since September 1, 1990, the National Practitioner Data Bank has received and maintained records of malpractice payments and adverse actions taken by hospitals, other health care entities, licensing boards, and professional societies against licensed health care practitioners. It provides hospitals and other health care entities with information relating to the professional competence and conduct of physicians, dentists, and other health care practitioners. It is operated by a contractor to the Health Resources and Services Administration (HRSA) of the Public Health Service (PHS).

Under the Health Care Quality Improvement Act of 1986, hospitals are required to query the Data Bank about every physician and dentist who applies for privileges. Hospitals must query about all practitioners with clinical privileges at least once every two years. They have the option of querying about any practitioner with privileges (or who is seeking privileges) at any time. The Data Bank information is intended to help hospitals make decisions about hiring, credentialing, and disciplining practitioners.

There has been much debate about the utility of this information to hospitals and about how they use it. Some observers note that much of the information was already readily available through other sources. Critics of the current reporting requirements have argued that reports of malpractice payments, particularly of small dollar settlements, are not useful in determining the professional competence or conduct of practitioners. Some practitioner groups are worried that Data Bank reports prejudice hospitals against the reported practitioners, while hospitals and others argue that hospitals do not make judgments based solely on the reports and that they follow up on the reports to get more detail.

This report answers basic questions about the usefulness and impact of the information in the Data Bank to hospitals at an early stage in the Data Bank's operation. The results are based on a survey of hospitals who have received reports of malpractice payments or adverse actions from the Data Bank. We sampled 200 matches -- instances when a querying hospital received a report of a specific incident -- from the universe of 19,122 hospital matches from the initiation of the Data Bank through March 19, 1992 and received 142 responses. Our findings can be projected to this universe of matches. Appendix A gives details of our methodology and provides information about the reports, practitioners, and hospitals included in this study.

FINDINGS

USEFULNESS TO HOSPITALS: A majority of Data Bank reports were useful to hospitals.

Measured by both objective and subjective criteria, the Data Bank appears to be providing valuable information to hospitals.

- Forty percent of Data Bank reports have provided information previously unknown to hospital staffs.

- The Data Bank has delivered accurate reports to hospitals.

- The Data Bank's average response time has been improving steadily. Over an 18 month period, median response time has dropped from 123 days to 26 days.

- Hospital officials found 58 percent of Data Bank reports to be useful. As the Data Bank's response time has improved, so has the proportion of reports rated useful.

- The most frequently cited reason for Data Bank reports' usefulness was that they confirmed information about practitioners that hospital officials already knew. Other reasons cited include the reports' help in making judgments about practitioners' competency and their provision of information not already known.

- Neither the source of reports nor, for malpractice reports, the payment amount affected the proportion of Data Bank reports that hospital officials rated useful.

IMPACT ON DECISIONS: Data Bank reports rarely led hospitals to make privileging decisions they would not have made without the reports, even when the reports provided information that hospitals did not already know.

We evaluated impact on decisions by asking hospitals the following question: Would your decision regarding the practitioner have been different if you had not received the Data Bank report?

- According to hospital officials, if hospitals had not received the Data Bank reports, their privileging decisions would have been different one percent of the time.

- Eighty percent of Data Bank reports had little chance to have an impact on hospitals' privileging decisions. Each of these reports either arrived after the decision was made or duplicated available information.

- Nineteen percent of Data Bank reports arrived before hospitals' decisions were finalized and contained information that neither the practitioner involved nor

any other sources had provided, but did not have an impact on hospitals' privileging decisions.

RECOMMENDATIONS

Our findings indicate that the usefulness and impact of the information in the Data Bank are strongly affected by the timeliness of the reports. Our recommendations identify steps that PHS **and** hospitals need to take to improve the timeliness of Data Bank reports, since PHS shares the responsibility for timeliness with the hospitals that query the Data Bank.

The PHS should seek to reduce further the time between query and response, and should make this a high priority in its next contract for operation of the Data Bank. The PHS should publish recently established performance indicators relating to response time in its annual report on the Data Bank.

The Joint Commission for Accreditation of Healthcare Organizations (JCAHO) should establish guidelines on how quickly hospitals should query the Data Bank after receiving applications for privileges.

COMMENTS ON THE DRAFT REPORT

We received comments on our draft report from the Public Health Service (PHS), the Assistant Secretary for Management and Budget (ASMB), the Assistant Secretary for Planning and Evaluation (ASPE), the Joint Commission on Accreditation of Healthcare Organizations (JCAHO), the American Hospital Association (AHA), and the American Medical Association (AMA). The PHS and JCAHO are examining ways to implement the recommendations we directed to them. In appendix C, we reproduce each set of comments in full and provide our responses to them.